IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY APPLICATION No. 205 of 2007

For Approval and Signature:

HONOURABLE MR.JUSTICE M.R. SHAH

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1 Whether Reporters of Local Papers may be allowed to see the judgment ?

2 To be referred to the Reporter or not ?

3 Whether their Lordships wish to see the fair copy of the judgment ?

4 Whether this case involves a substantial question of law as to the interpretation of the constitution of India, 1950 or any order made thereunder ?

5 Whether it is to be circulated to the civil judge ?

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JEWEL BRUSHES PRIVATE LIMITED - Applicant(s)
Versus
. - Respondent(s)

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Appearance :
MRS SWATI SOPARKAR for Applicant(s) : 1,
None for Respondent(s) : 1,

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CORAM : HONOURABLE MR.JUSTICE M.R. SHAH

Date : 27/04/2007

ORAL JUDGMENT

Present Judges summons has been taken out by the applicant company JEWEL BRUSHES PRIVATE LIMITED (one of the transferor company) for an appropriate order dispensing with the meeting of the equity

shareholders of the applicant company to consider and if thought fit to approve with or without modifications the proposed scheme of arrangement in the nature of amalgamation of Rose Packers Private Ltd., Tulip Processors Private Ltd., Daisy Packers Pvt. Ltd., Goradia Innovative Technologies Private Ltd., Amigo Brushes Private Ltd., Dentabrush Private Ltd., Alfa Bristlers Private Ltd., Jewel Brushes Private Ltd., Opal Bristlers Private Ltd., Pearl Bristlers Private Ltd., Snowdrop Bristlers Private Ltd., Unident Brushes Ltd. and Coronet Products Private Ltd with Amigo Securities Pvt. Ltd. (transferee company), having obtained and produced their written consent. It is also further prayed for an appropriate order to convene a separate meetings of the secured as well as unsecured creditors of the applicant company to consider and if thought fit to approve with or without modifications the proposed scheme of amalgamation of the applicant company with Amigo Securities Pvt. Ltd. (transferee company).

It is reported that Amigo Securities Pvt. Ltd. is the applicant in Company Application No.208 of 2007.

2. Ms. Soparkar, learned advocate appearing on behalf of the applicant has drawn attention of the Court to pages 52 to 57 (Annexure D to the application) and has submitted that all the equity shareholders of the applicant company have given their consent in writing to the proposed scheme of arrangement. Therefore, it is requested to dispense with the meeting of the equity shareholders of the applicant company as required to be convened under

the provisions of section 391(2) of the Companies Act, 1956.

3. Having procured and produced the written consent of all the equity shareholders of the applicant company to the proposed scheme of arrangement amalgamating Rose Packers Private Ltd., Tulip Processors Private Ltd., Daisy Packers Pvt. Ltd., Goradia Innovative Technologies Private Ltd., Amigo Brushes Private Ltd., Dentabrush Private Ltd., Alfa Bristlers Private Ltd., Jewel Brushes Private Ltd., Opal Bristlers Private Ltd., Pearl Bristlers Private Ltd., Snowdrop Bristlers Private Ltd., Unident Brushes Ltd. and Coronet Products Private Ltd with Amigo Securities Pvt. Ltd., the meeting of the equity shareholders of the applicant company as required to be held under the provisions of section 391(2) of the Companies Act, 1956 is hereby dispensed with.

4. So far as the prayer of the applicant company for an appropriate order of convening a separate meeting of the secured and unsecured creditors of the applicant company is concerned, considering the application of the abovenamed company by summons dated 26-4-2007, upon hearing Smt. Swati Soparkar, learned advocate appearing on behalf of the applicant company and upon reading of the affidavit dated 23-4-2007 filed in support of the Judge's summons for directions and other relevant annexures attached in support of the contents of the affidavit filed by the deponent, it is ordered;

1. That separate meetings of the secured and unsecured creditors of the applicant company

shall be convened and held at the corporate office of the Jewel group at “Subhaag” B-16, Ramin Park, Old Padra Road, Vadodara 390 020 in the State of Gujarat on Saturday, the 2nd day of June 2007 respectively at 11:00 a.m. And 3:00 p.m. for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement in the nature of amalgamation of the applicant company and twelve other transferor companies with Amigo Securities Private Ltd. (the transferee company)

2 That at least 21 clear days before the meetings be held as aforesaid, Notice convening the said meetings, indicating the day, the date, the place and the time as aforesaid, together with a copy of the Scheme of Arrangement, copy of the Explanatory Statement required to be sent under Section 393 of the Companies Act, 1956 and the prescribed Form of Proxy shall be sent by a prepaid letter posted under Certificate of Posting, addressed to each of the secured and unsecured creditors of the applicant company, at their last known address.

3. That at least 21 clear days before the meetings to be held as aforesaid, Notice

convening the said meetings indicating the day, the date, the place and time as aforesaid be published, stating that copies of the Scheme of Amalgamation, the Explanatory Statement required to be furnished pursuant to Section 393 of the Companies Act, 1956 and Form of Proxy can be obtained free of charge at the Registered Office of the applicant company and/or at its Advocate's office Smt. Swati Soparkar, 204, Akanksha, Opp-Vadilal House, Mithakhali, Navrangpura, Ahmedabad 380 009 once each in “Indian Express”, English daily and “Gujarat Samachar”, Gujarati daily both Vadodara editions.

4. Mr. A.M. Goradia, Chairman and Managing Director of Jewel Brushes Pvt. Ltd. and Managing Director of Coronet Products Private Ltd. and failing him Mr. Jal Patel, Director of Coronet Products Pvt. Ltd. and failing him Shri Harshad M. Parikh, Director of Unident Brushes Ltd. shall be the Chairman of the aforesaid meetings to be held on 2nd June, 2007 and in respect of any adjournment or adjournments thereof.

5. That the Chairman appointed for the aforesaid meetings do issue advertisements and send out notices of the said meetings referred to above. It is further directed

that the Chairman of the meetings shall have all powers under Articles of Association of the applicant company and under the Companies (Court) Rules, 1959 in relation to conduct of meeting including an amendment to the scheme of resolution, if any, proposed at the meeting by any person(s) and to ascertain the decision of the meeting on a poll.

6. That the quorum for the meetings of the secured creditors shall be 2(two) representatives for the meeting of the secured creditors and 5(five) persons present in person or by proxy for the meeting of unsecured creditors.

7. That voting by proxy is permitted provided that the proxy in the prescribed form and duly singed by the person entitled to attend and vote at the aforesaid meetings, or by his authorised representative, is filed with the applicant company at its registered office at Vadodara, not later than 48 hours before the said meetings.

8. That the value of the vote of each creditor of the company shall be as per the books of accounts of the company and where the entries in the records or accounts are disputed, the Chairman of the meetings shall

determine the value or number for the purposes of the meetings and his decision in that behalf would be final.

9. That the Chairman do report to this court, the result of the said meetings within 14 days of the conclusion of the meetings and the said report shall be verified by his affidavit.

5. This application is accordingly disposed of. No costs.

(M.R. SHAH, J.)

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